Note for Rafferty, Shelby

2015569852

From: Thooho, Fred

Date: Mon, Nov 13, 1995 3:26 PM

Subject: RE: Net Contribution Assumption

To: Rafferty, Shelby

Donna,

The current 1996 OB net contribution for Parliament is $23.49. Assuming a 50/50 split between soft pack and box, the incremental cost for the conversion is approximately $0.35 ($.66/2). With a new net contribution of $23.14 ($23.49 - $0.35), the total dollars will go from $84.6MM down to $83.4MM which translates to a decrease of $1.2MM or -1.4%. Let me know if I can share this with Shelby. Thanks, Fred

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From: Rafferty, Shelby on Mon, Nov 13, 1995 9:27 AM
To: Thooho, Fred
Cc: Anise, Roy

Fred,

Parliament would only do the heavier cello and board stock on the Box packing which is 50% of the brand's volume. Could you please compute the effect to net contribution for 1996 and provide today? Thanks.

2015569852

3.6 billion

3,600,000,000

3,300,000,000

76,362,000

$23.14

.66/M

$22.83/M

$6,849,000 net contribution

300,000,000

.03

Difference $1.3MM

3.6 = 84,564,000 Blue

- 83,296,520

1,267,500 Menthol

1,650,000,000 × 22.84 = 37,686,000

1,650,000,000 × 23.49 = 38,758,500

300,000,000 × 22.84 = 6,852,000

$83,296,500

Source: https://www.industrydocuments.ucsf.edu/docs/tldy0004